

**Department of Defense Report:
Adding Environmental Information to the
Federal Logistics Information System Program
Senate Armed Services Committee
Senate Report 105-189**

I. Introduction

As part of the overall Department of Defense (DoD) environmental security program, we are encouraging our personnel to purchase and use environmentally preferable products. We believe that we can increase purchases of environmentally preferable products by making more information about them available to our personnel. To make environmental information more available, we recently initiated a program to add environmental performance information to the products listed in the Federal Logistics Information System (FLIS). The Senate Armed Services Committee requested more information concerning this program.

II. Reporting Requirement

The Senate Committee Report (Report 105-189) accompanying the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (P.L. 105-261) requested that the Secretary of Defense report on the status of the program as follows:

"The committee understands that the Department of Defense plans to advise its procurement officials of energy-efficient products and products that contain recovered or recycled content through defense-wide electronic cataloging system known as the Federal Logistics Information System (FLIS). That system is currently under development by the Joint Logistics Commanders.

The committee is concerned that the Department has not yet developed any consistent methodology for assessing vendor claims and determining the environmental preferability of products procured through FLIS. Accordingly, the committee directs the Department to: (1) identify specific criteria for identifying environmentally preferable and energy-efficient products, and the source of such criteria; (2) identify product categories for which the Department has not yet been able to identify such standards; (3) develop procedures to provide reasonable assurance that particular products meet these criteria; and (4) develop procedures for tracking purchases of such products and estimating the extent to which the Department is meeting environmental objectives established in 48 C.F.R. 23.704. To the extent necessary, the Department should support research and recommend modifications to specifications for military unique items to further these objectives. The committee directs the Secretary of Defense to report to the congressional defense committees, not later than March 1, 1999, on the status of this effort." (p. 286)

This report will answer the Committee's questions on the approach that DoD is taking to populate the FLIS with environmental information.

III. Background

Environmental Attribute Initiative

In February 1998, the Joint Logistics Commanders directed the Defense Logistics Agency to add to the FLIS data regarding the environmental attributes of products. The objective of the initiative is to inform FLIS users of the availability of alternative, environmentally preferable products. The initial focus of the initiative is on commodities used in facilities operations and maintenance.

FLIS is a central, federal-wide repository of information concerning items in the federal supply system. Item managers use the FLIS to record various information about the item, including vendor data, management information, and physical characteristics. Personnel throughout DoD use FLIS to find products in the federal supply system that meet their needs.

The Defense Logistics Agency formed an Environmental Attribute Coordinating Committee ("Coordinating Committee") to oversee the initiative, and tasked the Coordinating Committee with establishing a process to evaluate and select environmental attributes for inclusion in FLIS. The Coordinating Committee includes representatives from the Department of the Army, Department of the Navy, Department of the Air Force, the Marine Corps, and the General Services Administration. Representatives from the Environmental Protection Agency, the Department of Energy, and the Department of Agriculture serve as advisors.

Benefits

By law, various Executive Orders, and policy, Federal agencies are to minimize the environmental impacts of their activities by:

- Minimizing the use of hazardous or toxic substances
- Promoting the use of recycled materials
- Improving energy and water efficiency
- Reducing the volume of waste for disposal

We expect that by minimizing its environmental impacts we will improve worker health and safety, reduce operating costs, and save taxpayer dollars.

The focus of the Coordinating Committee is to include environmental information in FLIS product characterization codes. This will provide requisitioning personnel and end users ready access to information on environmentally preferable products.

The Defense Logistics Agency first developed printed catalogs to help DoD personnel identify environmentally preferable products. However, these catalogs were not linked directly to FLIS, which contains over 7 million items, each characterized by 240 code elements, such as National Stock Number (NSN), manufacturer's name, procuring agency, and unit price. By putting environmental information in FLIS, we expect that more of our personnel will use the information. The "form, fit, and function" elements contained in the FLIS assist our personnel in choosing the appropriate item for their specific needs.

Process for Selecting Environmental Attributes

The Coordinating Committee established three criteria for selecting environmental attributes for inclusion in the FLIS. Before being added to the FLIS, an attributes must be: (1) a policy priority; (2) definable; and (3) show a life cycle cost savings (unless overridden by another requirement or policy).

(1) *Policy Priority*. Attributes established by laws, regulations, Executive Orders, and other directives are policy priorities. Policy priority also refers to environmental attributes that the Military Services have established as priorities.

(2) *Definable*. Specific definitions and criteria must be available from governing bodies or recognized standard-setting organizations before an attribute will added to the FLIS. The environmental attribute must contribute information that is understandable and that indicates that a specific product is preferable over a similar product that performs the same function.

(3) *Cost Benefit*. Proposed environmental attributes must result in equal or lower ownership cost over the lifetime of the product. Executive Order 13101 and other Federal directives require government agencies to consider life-cycle costs in acquisition planning. The most significant cost benefits of environmentally oriented products are typically associated with:

- Material storage and handling
- Use of energy, water, and other resources
- Waste storage, treatment, and disposal

- Compliance, permitting, and reporting
- Liability for work-related injuries and environmental contamination

IV. Senate Issues

ISSUE (1): Identify specific criteria for identifying environmentally preferable and energy-efficient products, and the source of such criteria.

As previously mentioned, the Coordinating Committee resolved to add an environmental attribute to the FLIS only when a government agency or an appropriate standard setting organization has clearly defined the attribute. The Coordinating Committee has already approved two environmental attributes for use in FLIS: (1.) Comprehensive Procurement Guideline (CPG) products that can be made from recycled material; and, (2.) energy efficient products. The Environmental Protection Agency (EPA) and the Department of Energy (DOE), respectively, have already developed and published criteria for these two attributes.

EPA's CPG Program

Under its CPG Program, EPA has issued procurement guidelines for 36 product categories containing recovered materials. EPA has also published a Recovered Materials Advisory Notice, which recommends procurement practices and ranges of recovered material content levels available, for each of the products designated in the CPG. The Coordinating Committee is using the standards developed by EPA for populating the FLIS with information about products made from recycled material, and has approved the following definition:

"Product meets or exceeds the Environmental Protection Agency's (EPA) Comprehensive Procurement Guidelines – Recovered Materials Advisory Notices (RMAN)"

Energy Efficient Products

The DOE Federal Energy Management Program (FEMP) has developed Product Energy Efficiency Recommendations for 29 product categories. These energy efficiency standards are within comparable classes of products. FEMP has established that products in the lower 25 percent of power consumption within each product classification are considered to be energy efficient. FEMP also has identified an additional 25-35 product categories for which it intends to develop Product Energy Efficiency Recommendations. The Coordinating Committee has approved the following DOE definition of energy efficient products:

"Product meets or exceeds the Department of Energy's (DOE) Energy-Efficient Products Standards -- products in the top 25 percent of energy efficiency for all similar products, or at least 10% more efficient than required by DOE standards, or meets efficiency criteria of the EPA/DOE Energy Star label."

ISSUE (2): Identify product categories for which the Department has not yet been able to

identify such standards.

The Coordinating Committee will use well-defined, well-accepted, existing criteria developed by other government agencies, industry, or standard-setting organizations for identifying positive environmental attributes. If an environmental attribute cannot be adequately defined from established sources, it will not be favorably evaluated for addition to FLIS. For example, the Coordinating Committee evaluated "bio-based" as a potential environmental attribute, but decided to defer its inclusion in the FLIS pending publication of criteria for bio-based products and a Bio-based Products List by the Department of Agriculture.

The Coordinating Committee is adding environmental attributes to the FLIS on an attribute-by-attribute basis, not by product categories. In addition to the recommended EPA CPG and DOE energy efficient attributes, the committee is currently researching six other

potential environmental attributes to determine if they have well-defined criteria:

- Bio-based
- Water conserving
- Low volatile organic compound
- Non-greenhouse impact
- Ozone depleting substance free
- Contains recycled content material

ISSUE (3): Develop procedures to provide reasonable assurance that particular products meet these criteria.

Although several environmental attribute categories are under evaluation, the Coordinating Committee has approved only two, EPA CPG items and DOE energy efficient items, for inclusion in FLIS. When new procurements are made of products with these features, contracting officers will incorporate the appropriate CPG or energy efficient criteria into the contract solicitation. The vendor must abide by the stated environmental attribute criteria and other requirements in order to be responsive to the solicitation.

Concerning CPG and energy efficient items that are already in the supply system, DLA technical personnel are determining which of the current items meet the environmental attribute criteria. There are relatively few DLA-managed items which meet the CPG criteria, and many of these products, such as re-refined oil and remanufactured toner cartridges, have already been identified with separate National Stock Numbers. There is a much larger universe of products currently in the supply system that may meet the energy efficient criteria. DLA technical personnel, with the assistance of DOE personnel, are assessing individual items to ensure that the energy efficient products are accurately listed in the FLIS.

ISSUE (4): Develop procedures for tracking purchases of such products and estimating the extent to which the Department is meeting environmental objectives established in 48 C.F.R. 23.704.

FLIS is a cataloging system providing "form, fit and function" data on individual NSNs – it is not capable of monitoring and tracking sales of environmentally preferable products. However, DLA plans to modify its logistics information systems to allow tracking of products with environmental attributes in the future. In the interim, DLA plans to manually monitor and track sales of environmentally preferable products listed in the FLIS.

Issue (5): To the extent necessary, the Department should support research and recommend modifications to specifications for military unique items to further these objectives.

DoD uses its environmental research funds to find solutions to military-unique environmental problems, principally problems related to the development, use, and disposal of weapon systems. As a result of these efforts, DoD often modifies specifications of military unique items to improve their environmental performance. In addition, DoD policy already requires that its personnel consider environmental performance when drafting or modifying specifications.